

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 04051 01 OF 02 241556Z

ACTION EB-07

INFO OCT-01 IO-13 ISO-00 L-03 FRB-03 OMB-01 ITC-01
SP-02 USIA-06 AGRE-00 AID-05 CIAE-00 COME-00
INR-07 LAB-04 NSAE-00 OIC-02 EPG-02 SIL-01 STR-04
TRSE-00 CEA-01 AF-10 ARA-06 EA-07 EUR-12 NEA-10
/108 W

-----241628Z 023439 /43

P 241444Z MAY 77

FM USMISSION GENEVA

TO SECSTATE WASHDC PRIORITY 7613

INFO ALL OECD CAPITALS PRIORITY

USMISSION USUN NEW YORK PRIORITY

LIMITED OFFICIAL USE SECTION 1 OF 2 GENEVA 4051

E.O. 11652: N/A

TAGS: UNCTAD, CIEC

SUBJECT: UNCTAD: CIEC FALLOUT AND IMPACT ON TDB MINISTERIAL
LEVEL MEETING

SUMMARY: THE UPCOMING UNCTAD MINISTERIAL MEETING OF THE
TDB IN SEPTEMBER IS INCREASINGLY SEEN BY THE G-77 AS A
LEVER, NOT ONLY ON THE DEBT ISSUE -- WHICH IS ALREADY ON THE
AGENDA -- BUT ON THE COMMON FUND AS WELL, SHOULD CIEC
FAIL TO PRODUCE THE SORT OF CLEAR CUT POLITICAL COMMIT-
MENT THEY LOOK FOR. SINCE THE AGENDA FOR THIS MEETING
IS STILL OPEN, WE BELIEVE THAT GROUP B SHOULD CONSIDER
WHETHER THERE WOULD NOT BE A TACTICAL ADVANTAGE TO
MOVING CERTAIN ASPECTS OF THE WORK IN ENERGY INTO THE
UNCTAD FORMAT WHERE IT COULD BE LINKED TO TRADE AND
DEVELOPMENT. THE GROUP OLANS TO MEET NEXT IN THE WEEK
OF JUNE 6-10. END SUMMARY.

1. PERHAPS ONE OF THE MORE IMPORTANT MEETINGS THAT WILL
TAKE PLACE IN GENEVA THIS FALL WILL BE THE UNCTAD

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 04051 01 OF 02 241556Z

MINISTERIAL MEETING OF THE TDB, SCHEDULED SOMETIME
DURING THE WEEK OF SEPTEMBER 5. SO FAR, THE ONLY ITEM
ON THE AGENDA IS DEBT AND RELATED
PROBLEMS OF THE LEAST DEVELOPED, WHO FEEL THAT THIS IS
GOING TO BE THEIR SHOW. AMONG THE MORE THOUGHTFUL
MEMBERS OF THE G-77, HOWEVER, THERE IS REALIZATION THAT
THIS SINGLE AGENDA ITEM WOULD HARDLY BE SUFFICIENT

TO SUSTAIN A MINISTERIAL MEETING FOR MORE THAN A FEW HOURS. THE QUESTION THEN, IS WHAT ARE THEY LIKELY TO PROPOSE FOR THIS MEETING, AND WHAT OUGHT WE TO BE DOING?

2. WITH RESPECT TO THE FIRST QUESTION, THE PREVALENT ATTITUDE OF MAJOR G-77 LEADERS HERE IN GENEVA IS TO WAIT FOR THE OUTCOME OF THE CIEC MINISTERIAL AND POSSIBLY THE RESUMED 31ST UNGA SESSION (8IF ANY) BEFORE DECIDING. IN THE NATURE OF THINGS, THEIR THINKING RUNS TO USING THE MINISTERIAL OF THE TDB AS AN ADDITIONAL LEVER ON GROUP B.

3. THE IMMEDIATE FOCUS OF COURSE IS DEBT, WHICH IS A MAJOR CIEC ISSUE AND ALREADY ON THE TDB AGENDAA. HERE, HOWEVER, THE MORE DEVELOPED MEMBERS OF THE G-77 HAVE NO INTENTION, OF CONFINING THE DEBT QUESTION TO THE POOREST. THE LATINS, IN PARTICULAR, WOULD LIKE TO SEE IT ENLARGED TO COVER THE LARGER ISSUE OF FINANCE, AS MENTIONED LAST WEEK BY MEXICAN AMBASSADOR ARMENDARIZ (SEE GENEVA'S 3986). SPECIFICALLY, THEY TALK ABOUT WAYS TO UNDERWRITE THE SERVICE COST OF COMMERCIAL DEBTS, INTERNATIONAL FINANCING OF EXPORT CREDIT MECHANISMS AND SIMILAR SUCH SCHEMES OF GREATER INTEREST TO THEMSELVES.

4. THE OTHER MAJOR ISSUE IN G-77 EYES IS, OF COURSE, THE ESTABLISHMENT OF A COMMON FUND. SHOULD THE CIEC FAIL TO TAKE THE RIGHT DECISION ON QUESTIONS RELATING TO THE ESTABLISHMENT OF A COMMON FUND -- THAT IS TO LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 04051 01 OF 02 241556Z

SAY, IF THE G-77 FEEL THEY DO NOT HAVE A STRONG POLITICAL COMMITMENT BY THE G-8 -- WE CAN EXPECT A SERIOUS EFFORT TO PLACE THE COMMON FUND ON THE TDB AGENDA IN HOPE OF ATTAINING SUCH A COMMITMENT IN SEPTEMBER.

5. THIS SITUATION, IT WILL BE CLEAR, PLAYS DIRECTLY INTO THE HANDS OF THE UNCTAD SECRETARY-GENERAL, WHO HAS OFT MADE KNOWN HIS AMBITIONS TO HAVE UNCTAD BECOME THE SUCCESSOR ORGANIZATION TO THE ICIEC, ASSUMING UNDER THE UCTAD UMBRELLA ALL CONTINUING ISSUES OF THE NORTH-SOUTH DIALOGUE. IT WILL BE RECALLED THAT PRIOR TO, AND AT UNCTAD IV, SYG COREA MADE STRENUOUS EFFORTS TO HAVE UNCTAD'S MANDATE CHANGED FROM "TRADE AND RELATED DEVELOPMENT ISSUES" TO "TRADE AND ECONOMIC COOPERATION ISSUES." HE GAINED HALF-A-LOAF, OBTAINING AT NAIROBI A NEW DEFINITION OF UNCTAD'S MANDATE AS "TRADE AND RELATED AREAS OF INTERNATIONAL ECONOMIC COOPERATION." HIS DESIRE TO ENHANCE UNCTAD'S NORTH-SOUTH "NEGOTIATING" ROLE CONTINUES UNABATED. GIVEN THE

LACK OF INSPIRATION OF THE MEMBERS OF UNCTAD ON OTHER
AGENDA ITEMS, SYG COREA MAY WELL SEEK TO RE-INJECT
HIS IDEAS OF UNCTAD AS THE SUCCESSOR ORGANIZATION TO
CIEC INTO THE CONTEXT OF THE MINISTERIAL MEETING.

6. IN THE FACE OF THE WAY THESE DEVELOPMENTS ARE
RUNNING, WE IN THE MISSION THINK IT URGENT TO SORT OUT
WHERE OUR OWN INTERESTS LIE. IT WOULD SEEM TO US
USEFUL TO SURVEY THE PROBABLY OUTCOME OF THE CIEC
EXERCISE, TO EVALUATE WHEN AND WHERE FUTURE
WORK SHOULD GO ON, AND TO COORDINATE AS SOON AS POSSIBLE
WITH OTHER OECD COUNTRIES ANY POSSIBLE ONGOING MECHANISM --
INCLUDING THE POSSIBILITY OF UNCTAD PLAYING A ROLE.
WHAT IS WRONG WITH CONSIDERING UNCTAD AS A POSSIBLE
FORUM FOR CONTINUATION OF SOME ASPECTS OF WORK IN
THE ENERGY AREA, PARTICULARLY AS THE ENERGY CRISIS
WILL CONTINUE TO HAVE MAJOR IMPACT ON THE DEVELOPMENT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 04051 01 OF 02 241556Z

EFFORTS OF THE LDCS? WOULD THERE NOT BE CLEAR TACTICAL
ADVANTAGES IN LINKING THE TOW?

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 04051 02 OF 02 241602Z
ACTION EB-07

INFO OCT-01 IO-13 ISO-00 L-03 FRB-03 OMB-01 ITC-01
SP-02 USIA-06 AGRE-00 AID-05 CIAE-00 COME-00
INR-07 LAB-04 NSAE-00 OIC-02 EPG-02 SIL-01 STR-04
TRSE-00 CEA-01 AF-10 ARA-06 EA-07 EUR-12 NEA-10
/108 W

-----241629Z 023558 /44

P 241444Z MAY 77

FM USMISSION GENEVA

TO SECSTATE WASHDC PRIORITY 7614

INFO ALL OECD CAPITALS PRIORITY

USMISSION USUN NEW YORK PRIORITY

LIMITED OFFICIAL USE SECTION 2 OF 2 GENEVA 4051

7. THIS WOULD MEAN THAT WE WOULD HAVE TO MOVE TO A MORE ACTIVE STANCE WITH RESPECT TO PARTICIPATION IN UNCTAD DELIBERATIONS, AND WE WOULD HAVE TO COUPLE IT WITH AN INSISTENCE THAT UNCTAD PROVIDE MORE EVEN-HANDED, UNBIASED BACK-STOPPING FOR THESE ISSUES. WE COULD WELL EXPECT VIGOROUS OPPOSITION FROM OPEC (INVOKING G-77 SOLIDARITY) -- IF NOT FROM SOME OF OUR MORE TIMID ALLIES -- SINCE ANY MOVE IN THIS DIRECTION WOULD VIOLATE WHAT SEEMS TO HAVE BECOME A "GENTLEMEN'S AGREEMENT" THAT THE IMPACT OF OPEC'S ACTIONS ON DEVELOPMENT PROBLEMS CAN NOT BE MENTIONED IN UNCTAD WITHOUT APPEARING TO BE AN EGREGIOUS DISPLAY OF BAD MANNERS. ON THE OTHER HAND, AN INSISTENCE THAT UNCTAD CONSIDER THE ENERGY CRISIS IN RELATION TO TRADE, DEVELOPMENT AND DEBT ISSUES MIGHT BRING A NEEDED MEASURE OF BALANCE TO THE DELIBERATIONS.

8. THE GROUP B COORDINATOR IN GENEVA (MONTGOMERY-CANADA) IS PLANNING TO CONVENE A MEETING OF THE GROUP DURING THE WEEK OF JUNE 6-10 TO ASSESS THE IMPACT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 04051 02 OF 02 241602Z

OF THE CIEC OUTCOME UPON THE MINISTERIAL LEVEL TDB. THE DEPARTMENT'S VIEWS ON POSSIBLE ADDITIONAL AGENDA ITEMS WOULD BE A MOST USEFUL INPUT INTO THE GROUP'S DISCUSSIONS. SORENSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MINISTERIAL MEETINGS, PLANNING MEETINGS
Control Number: n/a
Copy: SINGLE
Sent Date: 24-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977GENEVA04051
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770184-1318
Format: TEL
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770525/aaaaavek.tel
Line Count: 200
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e8c7568b-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 07-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2395510
Secure: OPEN
Status: NATIVE
Subject: UNCTAD: CIEC FALLOUT AND IMPACT ON TDB MINISTERIAL LEVEL MEETING SUMMARY: THE UPCOMING UNCTAD MINISTERIAL MEETING
TAGS: ECON, SZ, UNCTAD, CIEC
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/e8c7568b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009